

# IMPD STAFFING STUDY COMMISSION



## **FUNDING ALTERNATIVES**

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# ASSUMPTIONS FOR PROJECTIONS

1. 100 officers a year
2. Annual attrition of 42 officers
3. Term: 2015-2020
4. Recognition of inflation; approximately 3% per year.
5. 2014 budget is fully funded, but there is a projected \$15 million structural deficit in 2015.
  - a) Includes 30 new officers
  - b) Addresses IMPD structural deficit
6. COPs funding for 10 officers per year in 2015, 2016 and 2017
  - a) Salary and selected benefits only; remainder would be provided by City and local funding sources.
  - b) Commitment is needed from the Administration and Council for continued support for staffing levels to avoid payback need.
7. Includes annual cost of \$120,000 per new officer

# STAFFING MODEL

Add 80 Recruits in 2014 & 100 Recruits in years 2015-2020									
	<u>Current Staffing as of 1/20/14</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>Net Gain 2014- 2018</u>	<u>2019</u>	<u>2020</u>	<u>Net Gain 2014- 2020</u>
Officers	1527	1565	1623	1681	1739		1797	1855	
Retirements/Separations	-42	-42	-42	-42	-42		-42	-42	
Recruits	80	100	100	100	100		100	100	
Total Projected Year End Staffing	1565	1623	1681	1739	1797*		1855	1913	
<b>Net Officer Gain</b>	<b>38</b>	<b>58</b>	<b>58</b>	<b>58</b>	<b>58</b>	<b>270</b>	<b>58</b>	<b>58</b>	<b>386</b>

\*Authorized strength in 2007 was 1740

# IMPD EXPENSE MODEL

IMPD Budget	2014 (Base Year)	Net Change over Base	2015	Net Change over Base	2016	Net Change over Base	2017	Net Change over Base	2018	2019	2020
Sworn Salaries <sup>1</sup>	106,496,609		110,904,609		115,428,609		120,126,609		124,998,609	130,102,609	135,380,609
Other IMPD Character One - civilians & sworn & civilian fringes, & overtime <sup>2</sup>	55,655,486		57,325,151		59,044,905		60,816,252		62,640,740	64,519,962	66,455,561
Character Two <sup>3</sup>	970,843		970,843		970,843		970,843		970,843	970,843	970,843
Character Three <sup>4</sup>	16,089,731		16,572,423		17,069,596		17,581,683		18,109,134	18,652,408	19,211,980
Character Four <sup>5</sup>	29,000		29,000		29,000		29,000		29,000	29,000	29,000
Character Five <sup>6</sup>	11,817,323		12,053,669		12,294,743		12,540,638		12,791,450	13,047,279	13,308,225
Total IMPD Budget	191,058,992	6,796,703	197,855,695	13,778,704	204,837,696	21,006,033	212,065,025	28,480,784	219,539,776	227,322,101	235,356,218
										<b>Net Change over Base</b>	<b>44,297,226</b>

## Assumptions:

- <sup>1</sup> Assumes 2% increase to base salary
- <sup>2</sup> Assumes 3% increase per year to account for changes in health, life, etc.
- <sup>3</sup> Keeps Character 2 flat
- <sup>4</sup> Assumes 3% increase per year for building rent, technology, etc.
- <sup>5</sup> Keeps Character 4 flat
- <sup>6</sup> Assumes 2% increase (some reductions in fuel costs from energy efficient vehicles)

# CURRENT REVENUE SCENARIO

1. Projected organic revenue growth – COIT, LOIT, PST (1.5% growth)
2. Projected organic revenue growth – Property Taxes (2.7% growth)
3. Existing City-County Deficit
4. Existing IMPD structural deficit, including ongoing funding for the 30 additional officers in 2014
5. MVH Growth (10% allocation to IMPD)
6. CIB ticket tax (Terms of Agreement)

# SOURCES FOR ADDITIONAL REVENUE (LOCAL CONTROL)

## 1. **Public Safety Tax (PST)**

- Current rate is .35%; maximum rate is .50%.
- The maximum rate would raise an additional \$24 million in revenue for units in Marion County with \$15 million going to IMPD.

## 2. **Elimination of the COIT Homestead Credit**

- Elimination of the Homestead Credit would raise approximately \$7.5 million for IMPD.

## 3. **Levy Freeze LOIT Adjustment**

- Current rate is at .27%; maximum rate is .3224%.
- The maximum rate would raise approximately \$10 million in additional revenue for units in Marion County with \$1 million going to IMPD.

## 4. **PILOTS (Voluntary)**

## 5. **COPS Grants** – 10 new officers every year for 3 years.

## 6. **Fee for policing services revenue (special events)**

- Development of a cost for service model

\$'s in millions	2014	2015	2016	2017	2018	2019	2020
<b>Current Revenues</b>	<b>\$186.0</b>	<b>\$171.0</b>	<b>\$171.0</b>	<b>\$171.0</b>	<b>\$171.0</b>	<b>\$171.0</b>	<b>\$171.0</b>
Organic Growth: Income Taxes		\$10.5	\$13.7	\$16.9	\$20.1	\$23.4	\$26.7
Organic Growth: Property Taxes		\$0.7	\$1.4	\$2.4	\$3.4	\$4.4	\$5.4
CIB Revenue Share	(\$0.2)	(\$1.3)	(\$1.3)	(\$1.3)	(\$1.3)	(\$1.3)	(\$1.3)
Increase in Public Safety Tax (0.50%)		\$15.9	\$16.1	\$16.4	\$16.6	\$16.9	\$17.1
Max out LOIT Levy Freeze Tax		\$0.6	\$0.5	\$0.5	\$0.4	\$0.3	\$0.3
Eliminate Local Homestead Credit (Net)		\$7.3	\$7.3	\$7.3	\$7.3	7.3	\$7.3
<b>Total Funding (Current and New)</b>	<b>\$185.8</b>	<b>\$204.7</b>	<b>\$208.7</b>	<b>\$213.1</b>	<b>\$217.5</b>	<b>\$222.0</b>	<b>\$226.5</b>
<b>Total Budget Needs (New Officers)</b>	<b>\$191.1</b>	<b>\$197.9</b>	<b>\$204.8</b>	<b>\$212.1</b>	<b>\$219.5</b>	<b>\$227.3</b>	<b>\$235.4</b>
<b>Projected Year End Fund Balance</b>	<b>\$0.5</b>	<b>\$7.3</b>	<b>\$11.1</b>	<b>\$12.1</b>	<b>\$10.1</b>	<b>\$4.7</b>	<b>(\$4.1)</b>

## VOLUNTARY PILOTS FROM LARGEST TAX EXEMPT PROPERTIES

- PILOTs can provide essential revenue for City and county Services, and are one way to allow nonprofits pay for the public services they already consume.
- Examples of Cities receiving voluntary pilots:
  - Boston, MA - \$16 million
  - New Haven, CT - \$7.5 million
  - Baltimore, MD - \$5 million
- Examples of institutions making voluntary PILOTS:
  - Dartmouth College - \$1.9 million
  - University of Notre Dame - \$500,000
  - Massachusetts General Hospital - \$2.2 million
  - Brigham and Women's Hospital - \$1.32 million



# SOURCES FOR ADDITIONAL REVENUE (STATE LEGISLATIVE ACTION REQUIRED)

1. Commuter tax for Fire and Police only
2. Home Rule (Sales Tax)
3. Crime Prevention Districts (Special Purpose District)

# SPECIAL PURPOSE DISTRICTS

- Special purpose districts are created to generate revenue for specific purposes.
  - Purposes include utilities, emergency services, libraries and crime control
- Districts can be funded in a variety of way, including:
  - property taxes
  - sales and use tax
  - user fee-funded districts can be created in districts with no taxing authority
- Each district is governed by a board and must adopt a crime control budget and plan
- Would require new statewide legislation
- Used in a variety of forms in Texas

QUESTIONS?